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## **European Union**

# Food and Agricultural Import Regulations and

## **Standards**

## **Future EU Import Requirements**

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#### **Report Highlights:**

This report is intended to give U.S. exporters an overview of proposals and issues under discussion that will impact on existing EU food import rules.

# Future EU Import Requirements Potentially Affecting Food Exports to the European Union: Proposals/Issues under Discussion and New Initiatives Anticipated

This report is intended to give U.S. exporters an overview of proposals and issues under discussion that have the potential to affect their way of doing business in Europe. It supplements the up to date information on existing EU food import rules as well as general information on EU import duties and quotas that can be found on our website at <a href="http://www.useu.be/agri/usda.html">http://www.useu.be/agri/usda.html</a>.

The European Union (EU) currently comprises 15 Member countries: France, Germany, Italy, Netherlands, Belgium, Luxembourg, Ireland, Denmark, the United Kingdom, Spain, Portugal, Greece, Austria, Sweden and Finland. Ten central and eastern European countries (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia) are expected to join the EU in 2004. Once they are a member of the EU, they will also be obliged to apply EU laws and rules pertaining to all sectors and commodities, including processed foods.

In 2001, the EU was the third largest market for U.S. agricultural products following Canada and Japan. Total agricultural exports to the EU amounted to \$ 8.0 billion. Consumer-oriented foods accounted for \$ 2.1 billion and included mainly tree nuts (\$533 million), processed fruits and vegetables (\$301 million), wine and beer (330 million), fresh fruits and vegetables (\$ 156 million) and fruit and vegetable juices (\$ 132 million). CY 2001 U.S. agricultural exports to the accession countries totaled \$ 255 million, including \$ 140 million of consumer-oriented products. (Source: BICO reports CY 2001)

The EU has a vast amount of rules pertaining to food. However, only recently did the EU establish a general EU food law. The basic framework Regulation EC No 178/2002, published in January 2002 sets out the general principles and requirements of EU food law and particularly the concept of traceability, for all food and feed products. At the same time, this regulation created the European Food Safety Authority (EFSA), which will have major responsibility in providing scientific advice for regulators. As a general rule, all of the legislative issues discussed below encompass the general principles of EU food law.

The time frames for adoption of the proposed rules varies. Our office at the U.S. Mission to the EU follows EU legislative developments on a daily basis. If you have a particular interest in one of these issues, please let us know by filling out the enclosure to the website flyer.

## **Implementation of Agreed Rules**

#### — Wine

A new EU regulation (Commission Regulation 753/2002) on wine labeling has been adopted and is scheduled to go into force on January 1, 2003. This regulation contains several provisions of concern to the United States and other trading partners, such as protection of certain bottle shapes and traditional terms. Informal consultations with the EU have been requested in order to

encourage the EU to address these concerns before the regulation goes into force. See also: <a href="http://www.useu.be/agri/wine.html">http://www.useu.be/agri/wine.html</a>.

#### — Pesticides

Pesticides currently on the EU market are under review. As a result of the review, some 320 substances used in plant protection products will be withdrawn from the EU market in 2003 and a second list of around 150 substances is expected to be withdrawn soon thereafter. For pesticides which are no longer authorized at Community level, an import tolerance may be requested. See also: <a href="http://www.useu.be/agri/pestides.html">http://www.useu.be/agri/pestides.html</a>.

#### Conformity Checks on Fruits and Vegetables

Implementation of the new regulation on conformity checks (Commission Regulation 1148/2001) has been postponed until December 31, 2002 while amendments are considered. This regulation will change the way inspections are conducted upon imports for fresh fruits and vegetables. See also: http://www.useu.be/agri/Fruit-Veg.html.

#### Organics

In September 2001, the EU published a regulation (Commission Regulation 1788/2001) requiring the use of the EU certificate of inspection for products to be imported into the EU. An original certificate, to be verified at the border by the member state authorities, must accompany each shipment. Goods will not be released until the authorities have verified that a valid import authorization was granted for the consignment. Implementation of this regulation has been postponed until November 2002 while amendments are being considered. See also: <a href="http://www.useu.be/agri/organic.html">http://www.useu.be/agri/organic.html</a>.

### **Proposals/Issues under Discussion**

#### GM Labeling & Traceability

Rules governing the regulatory review and commercialization of genetically modified food and feed in the EU are currently being revised.

The proposed EU labeling and traceability legislation contains three key parts: mandatory biotech labeling for food and feed products that contain or are derived from more than 1% biotech products (irrespective of detectability); provisions for event-specific identity markers (shipments must include a list of which events may be present in the cargo); and a tolerance level for adventitious presence of unapproved biotech varieties (given they have undergone an EU risk assessment).

The provision to require labeling for all products with genetically engineered ingredients exceeding 1%, regardless of detectable protein or DNA, will extend mandatory labeling to a number of products which are not covered by current GM labeling rules, including highly refined corn, soy and rapeseed oils, glucose syrup produced from corn starch, soybean meal and lecithin. As the presence of GM material may be undetectable, users of genetically engineered ingredients will be required to trace the products through out the production and distribution chains. This information must be retained for 5 years. The GM Labeling & Traceability and Food & Feed proposals are currently being reviewed by the Council. The earliest date for implementation is

expected to be Sep 2003.

#### Restarting the GM Approval Process

A blocking minority of Member States has maintained an ad hoc moratorium on new product approvals since 1998. On various occasions, EU Commissioners have proposed to resume the approval process but Member States have stressed the need to have the above Labeling & Traceability and Food & Feed regulations in place before moving forward. See also: http://www.useu.be/agri/GMOs.html.

#### Full Ingredient Labeling/Allergen Labeling

Legislators are close to reaching agreement on amendments to the labeling rules for foods. Labeling of all ingredients will become mandatory, with some exceptions. This requirement overrules the current "25 % rule"whereby components of compound ingredients forming less than 25 % of a final product currently do not have to be labeled. The new rules also require compulsory labeling of the following allergens in foods and alcoholic drinks: cereals containing gluten, crustaceans, eggs, fish, peanuts, soybeans, milk and dairy products including lactose, nuts and nut products, sesame seeds, and sulphite concentrations of at least 10 mg/kg. Products not complying with these rules will likely be prohibited after Jan 1, 2005. See also: http://europa.eu.int/comm/food/fs/fl/fl\_index\_en.html.

#### Zoonoses

Proposals concern an improved monitoring of zoonoses with the aim of reducing the incidence of human infection, particularly salmonellosis. The two proposals include stricter and larger testing requirements for zoonoses: more species have to be tested and accepted levels are reduced. Reinforced monitoring of zoonoses testing is also proposed. The Commission proposal foresees that equivalent measures for the control of zoonoses must be implemented in third countries exporting to the EU. Stricter testing requirements could prove costly and burdensome to U.S. exporters and a mandatory yearly zoonoses monitoring plan would turn out to be a painstaking additional administrative task. However, paradoxically enough, the still remote establishment of stricter target levels for salmonella could make decontamination of poultry products necessary. Currently the restriction on decontamination prevents U.S. poultry from being shipped to the EU. Stricter pathogen targets would apply from 2005 at the earliest. See also: <a href="http://europa.eu.int/comm/food/fs/sfp/mr/mr\_index\_en.html">http://europa.eu.int/comm/food/fs/sfp/mr/mr\_index\_en.html</a>.

#### — Food Hygiene/Traceability

In the summer of 2000, two proposals consolidating and standardizing current food safety legislation were published, implementing the requirements of the new EU general food law. These regulations introduce a "farm to fork" approach to food safety. The hygiene proposal requires traceability of food and food ingredients and mandatory registration of all food establishments and introduces HACCP principles at all levels in the food chain. Imports will have to comply with Community provisions. Implementation of the legislation is expected in 2004 at the earliest.

See also: <a href="http://europa.eu.int/comm/food/fs/intro/hygiene\_en.html">http://europa.eu.int/comm/food/fs/intro/hygiene\_en.html</a>.

#### Sweeteners

A proposal was released in the summer of 2002 to authorize sucralose (E955) and a salt of

aspartame and acesulfame (E952) and set maximum limits and conditions for their use. It would also authorize aspartame (E951) in cornets and wafers for ice-cream and revise the maximum levels for cyclamic acid (E952) in flavored drinks and prohibit its use in certain confectionary products, chewing gum and ice creams. Given the length of the authorization procedure, the earliest date these sweeteners will be allowed throughout the EU is end 2003. Meanwhile, a national authorization has been granted for the use of sucralose in the U.K. and a U.K. authorization for E952 (a salt of aspartame and acesulfame) will likely follow. See also: http://europa.eu.int/comm/food/fs/sfp/addit\_flavor/additives/index\_en.html.

#### Smoke Flavorings

This proposal establishes harmonized Community procedures for the authorization of smoke flavorings. These procedures will be used to develop a positive list of authorized smoke condensates and primary tar fractions for use as such or for the production of smoke flavorings. Only the types of wood listed in the regulation may be used for the production of smoke flavorings. Food businesses will have to ensure traceability of smoke flavorings. Adoption of the new procedures is expected in 2004 at the earliest. See also: <a href="http://europa.eu.int/comm/food/fs/sfp/addit\_flavor/flavourings/index\_en.html">http://europa.eu.int/comm/food/fs/sfp/addit\_flavor/flavourings/index\_en.html</a>.

#### — Irradiation

The EU list of foods authorized for irradiation only contains herbs and spices. Discussions are going on whether this list should be expanded to include items such as dried fruits, cereal flakes, chicken offal, egg white.

See also: <a href="http://europa.eu.int/comm/food/fs/sfp/fi\_index\_en.html">http://europa.eu.int/comm/food/fs/sfp/fi\_index\_en.html</a>.

#### Novel Foods

A discussion paper was released to start the debate on modifications to the current authorization procedure for non genetically modified novel foods and ingredients. Items of discussion concern the length of the authorization procedure, the definition of substantial equivalence with existing foods and labeling.

See also: http://europa.eu.int/comm/food/fs/novel\_food/nf\_index\_en.html

### **New Initiatives Anticipated**

#### Nutrition and Functional Claims

In 2001, the Commission launched a Discussion Paper on Nutrition Claims and Functional Claims to obtain input for the development of harmonized EU rules. In response to the comments received on this paper, many of which advocated that rules regarding so-called "health claims" be also harmonized with the forthcoming legislation, the Commission is preparing a Proposal for a Regulation on nutrition, functional and health claims. It is expected to maintain the ban on claims that attribute to a food the ability to prevent, treat or cure a disease, but it would allow "enhanced functional claims" and "disease-risk reduction claims". The proposal, which is expected to be released in early 2003, would establish a list of authorized nutritional claims and it would set up a Committee that would need to authorize functional and health claims. See also: <a href="http://europa.eu.int/comm/food/fs/fl/fl">http://europa.eu.int/comm/food/fs/fl/fl</a> index en.html

#### Fortified Foods

A proposal on fortified foods would harmonize Member States legislation on the addition of nutrients to foods and would also regulate the use of claims on these foods. It would establish a positive list of vitamins and minerals that may be added, establish principles for setting limits for adding nutrients and contain labeling provisions. The proposal is expected in the first months of 2003.

#### Foods for Athletes/Food for Diabetics

Current EU legislation on foods for particular nutritional uses requires that specific rules be developed for foods for diabetics and for foods intended for sportsmen. A decision is expected to either remove this requirement or to draft proposals containing compositional and/or labeling requirements including the use of claims, for these categories of foods.

#### Official Food Safety Controls

A proposal is expected that would establish a new regulatory framework for food inspections in the EU Member States. This would include principles for inspections of food imports and of importers, as well as the rules for financing inspections and the charging of fees and penalties. See also: <a href="http://europa.eu.int/comm/food/fs/sfp/oc\_index\_en.html">http://europa.eu.int/comm/food/fs/sfp/oc\_index\_en.html</a>

#### Food Contact Materials

Current EU rules only cover inert materials. A proposal is expected that would change the framework directive on food contact materials to cover also so-called "active and intelligent" packaging, such as packaging materials absorbing oxygen, releasing anti-microbial agents etc. New labeling and traceability requirements will also be introduced. See also: <a href="http://europa.eu.int/comm/food/fs/sfp/food\_contact/index\_en.html">http://europa.eu.int/comm/food/fs/sfp/food\_contact/index\_en.html</a>

#### Pesticides in Baby Foods and Formula

This initiative would further restrict the use of pesticides in crops processed into babyfoods.

#### — Mycotoxins

The list of mycotoxins for which maximum levels apply, will be expanded. So far, maximum levels have been set for aflatoxin and ochratoxin. Future proposals will cover patulin and later on, the fusarium toxins including DON and zearalenone.

#### — Food Additives

The list of authorized additives (other than sweeteners and colors) is up for review. Another proposal is expected shortly that would amend the procedure for amending the list of authorized additives, considerably shortening the period required for a new authorization. This proposal would also harmonize rules on enzymes.

#### e-marking of prepackages

The requirements for the (voluntary) use of the e-mark, which provides guarantees concerning the accuracy of the quantities indicated on prepackaged foods, is under discussion. The EU is thinking of different approaches. One would be self-certification, which is very much like the U.S. system. Other alternatives would require certification by a notified body.

Related reports from USEU Brussels:

Report Number	Title	Date released
E22084	Food and Agricultural Import Regulations and Standards (FAIRS)	8/21/02
E22093	EU Food & Drink Industry in Figures 2002	9/27/02

**VISIT OUR WEBSITE:** our website <u>www.useu.be/agri/usda.html</u> provides a broad range of useful information on EU import rules and food laws and allows easy access to USEU reports, trade information and other practical information.

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